

HOUSE BILL NO. 553

INTRODUCED BY D. HOWARD

A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING AN ORGANIZATION WHOSE MAJOR PURPOSE IS NOT PARTICIPATION IN THE POLITICAL PROCESS TO PARTICIPATE IN THAT PROCESS WITHOUT BEING REGULATED BY THE COMMISSIONER OF POLITICAL PRACTICES; AND AMENDING SECTIONS 13-1-101 AND 13-37-226, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 13-1-101, MCA, is amended to read:

"13-1-101. Definitions. As used in this title, unless the context clearly indicates otherwise, the following definitions apply:

(1) "Active elector" means an elector who voted in the previous federal general election and whose name is on the active list.

(2) "Active list" means a list of active electors maintained pursuant to 13-2-220.

(3) "Anything of value" means any goods that have a certain utility to the recipient that is real and that is ordinarily not given away free but is purchased.

(4) "Application for voter registration" means a voter registration form prescribed by the secretary of state that is completed and signed by an elector, submitted to the election administrator, and contains voter registration information subject to verification as provided by law.

(5) "Ballot" means a paper ballot counted manually or a paper ballot counted by a machine, such as an optical scan system or other technology that automatically tabulates votes cast by processing the paper ballots.

(6) "Candidate" means:

(a) an individual who has filed a declaration or petition for nomination, acceptance of nomination, or appointment as a candidate for public office as required by law;

(b) for the purposes of chapter 35, 36, or 37, an individual who has solicited or received and retained contributions, made expenditures, or given consent to an individual, organization, political party, or committee to solicit or receive and retain contributions or make expenditures on the individual's behalf to secure nomination or election to any office at any time, whether or not the office for which the individual will seek nomination or

1 election is known when the:

2 (i) solicitation is made;

3 (ii) contribution is received and retained; or

4 (iii) expenditure is made; and

5 (c) an officeholder who is the subject of a recall election.

6 (7) (a) "Contribution" means:

7 (i) an advance, gift, loan, conveyance, deposit, payment, or distribution of money or anything of value
8 of at least \$300 to influence an election;

9 (ii) a transfer of funds between political committees;

10 (iii) the payment by a person other than a candidate or political committee of compensation for the
11 personal services of another person that are rendered to a candidate or political committee.

12 (b) "Contribution" does not mean:

13 (i) services provided without compensation by individuals volunteering a portion or all of their time on
14 behalf of a candidate or political committee or meals and lodging provided by individuals in their private
15 residences for a candidate or other individual;

16 (ii) the cost of any bona fide news story, commentary, or editorial distributed through the facilities of any
17 broadcasting station, newspaper, magazine, or other periodical publication of general circulation;

18 (iii) the cost of any communication by any membership organization or corporation to its members or
19 stockholders or employees; or

20 (iv) filing fees paid by the candidate.

21 (8) "Election" means a general, regular, special, or primary election held pursuant to the requirements
22 of state law, regardless of the time or purpose.

23 (9) "Election administrator" means the county clerk and recorder or the individual designated by a county
24 governing body to be responsible for all election administration duties, except that with regard to school elections,
25 the term means the school district clerk.

26 (10) "Elector" means an individual qualified to vote under state law.

27 (11) (a) "Expenditure" means a purchase, payment, distribution, loan, advance, promise, pledge, or gift
28 of money or anything of value of at least \$300 made for the purpose of influencing the results of an election.

29 (b) "Expenditure" does not mean:

30 (i) services, food, or lodging provided in a manner that they are not contributions under subsection (7);

(ii) payments by a candidate for a filing fee or for personal travel expenses, food, clothing, lodging, or personal necessities for the candidate and the candidate's family;

(iii) the cost of any bona fide news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication of general circulation; or

(iv) the cost of any communication by any membership organization or corporation to its members or stockholders or employees.

(12) "Federal election" means a general or primary election in which an elector may vote for individuals for the office of president of the United States or for the United States congress.

(13) "General election" or "regular election" means an election held for the election of public officers throughout the state at times specified by law, including elections for officers of political subdivisions when the time of the election is set on the same date for all similar political subdivisions in the state. For ballot issues required by Article III, section 6, or Article XIV, section 8, of the Montana constitution to be submitted by the legislature to the electors at a general election, "general election" means an election held at the time provided in 13-1-104(1). For ballot issues required by Article XIV, section 9, of the Montana constitution to be submitted as a constitutional initiative at a regular election, regular election means an election held at the time provided in 13-1-104(1).

(14) "Inactive elector" means an individual who failed to vote in the preceding federal general election and whose name was placed on an inactive list pursuant to 13-2-220.

(15) "Inactive list" means a list of inactive electors maintained pursuant to 13-2-220.

(16) "Individual" means a human being.

(17) (a) "Issue" or "ballot issue" means a proposal submitted to the people at an election for their approval or rejection, including but not limited to initiatives, referenda, proposed constitutional amendments, recall questions, school levy questions, bond issue questions, or a ballot question.

(b) For the purposes of chapters 35 and 37, an issue becomes a "ballot issue" upon certification by the proper official that the legal procedure necessary for its qualification and placement upon the ballot has been completed, except that a statewide issue becomes a "ballot issue" upon preparation and transmission by the secretary of state of the form of the petition or referral to the person who submitted the proposed issue.

(18) "Legally registered elector" means an individual whose application for voter registration was accepted, processed, and verified as provided by law.

(19) "Major purpose" means a purpose:

1 (a) that is contained in the constitution, chapter, by-laws, or a similar document of the organization; or

2 (b) that results in an expenditure of whichever of the following is less:

3 (i) 50% or more of the annual income of the organization; or

4 (ii) \$3,000.

5 ~~(19)(20)~~ "Person" means an individual, corporation, association, firm, partnership, cooperative,
6 committee, club, union, or other organization or group of individuals or a candidate as defined in subsection (6).

7 ~~(20)(21)~~ "Political committee" means a combination of two or more individuals or a person other than an
8 individual who makes a contribution or expenditure whose major purpose is to:

9 (a) ~~to~~ support or oppose a candidate or a committee organized to support or oppose a candidate or a
10 petition for nomination; or

11 (b) ~~to~~ support or oppose a ballot issue or a committee organized to support or oppose a ballot issue; ~~or~~
12 and

13 (c) ~~as an earmarked contribution~~ make a contribution or expenditure to effect its major purpose.

14 ~~(21)(22)~~ "Political subdivision" means a county, consolidated municipal-county government, municipality,
15 special district, or any other unit of government, except school districts, having authority to hold an election for
16 officers or on a ballot issue.

17 ~~(22)(23)~~ "Primary" or "primary election" means an election held throughout the state to nominate
18 candidates for public office at times specified by law, including nominations of candidates for offices of political
19 subdivisions when the time for nominations is set on the same date for all similar subdivisions in the state.

20 ~~(23)(24)~~ "Provisional ballot" means a ballot cast by an elector whose identity and eligibility to vote have
21 not been verified as provided by law.

22 ~~(24)(25)~~ "Provisionally registered elector" means an individual whose application for voter registration
23 was accepted but whose eligibility has not yet been verified as provided by law.

24 ~~(25)(26)~~ "Public office" means a state, county, municipal, school, or other district office that is filled by
25 the people at an election.

26 ~~(26)(27)~~ "Registrar" means the county election administrator and any regularly appointed deputy or
27 assistant election administrator.

28 ~~(27)(28)~~ "Special election" means an election other than a statutorily scheduled primary or general
29 election held at any time for any purpose provided by law. It may be held in conjunction with a statutorily
30 scheduled election.

~~(28)~~(29) "Statewide voter registration list" means the voter registration list established and maintained pursuant to 13-2-107 and 13-2-108.

~~(29)~~(30) "Transfer form" means a form prescribed by the secretary of state that may be filled out by an elector to transfer the elector's registration when the elector's residence address has changed within the county.

~~(30)~~(31) "Valid vote" means a vote that has been counted as valid or determined to be valid as provided in 13-15-206.

~~(31)~~(32) "Voting system" or "system" means any machine, device, technology, or equipment used to automatically record, tabulate, or process the vote of an elector cast on a paper ballot."

Section 2. Section 13-37-226, MCA, is amended to read:

"13-37-226. Time for filing reports. (1) Candidates for a state office filled by a statewide vote of all the electors of Montana and political committees that are organized to support or oppose a particular statewide candidate shall file reports:

(a) quarterly, due on the fifth day following a calendar quarter, beginning with the calendar quarter in which funds are received or expended during the year or years prior to the election year that the candidate expects to be on the ballot;

(b) on the 10th day of March and September in each year that an election is to be held and on the 15th and 5th days preceding the date on which an election is held and within 24 hours after receiving a contribution of ~~\$200~~ \$300 or more if received between the 10th day before the election and the day of the election;

(c) not more than 20 days after the date of the election; and

(d) on the 10th day of March and September of each year following an election until the candidate or political committee files a closing report as specified in 13-37-228(3).

(2) Political committees organized to support or oppose a particular statewide ballot issue shall file reports:

(a) quarterly, due on the fifth day following a calendar quarter, beginning with the calendar quarter in which the text of the proposed ballot issue is submitted for review and approval pursuant to 13-27-202 during the year or years prior to the election year that an issue is or is expected to be on the ballot;

(b) on the 10th day of March and on the 10th day of each subsequent month through September;

(c) on the 15th and 5th days preceding the date on which an election is held;

(d) within 24 hours after receiving a contribution of \$500 or more if received between the 10th day before

1 the election and the day of the election;

2 (e) within 20 days after the election; and

3 (f) on the 10th day of March and September of each year following an election until the political
4 committee files a closing report as specified in 13-37-228(3).

5 (3) Candidates for a state district office, including but not limited to candidates for the legislature, the
6 public service commission, or a district court judge, and political committees that are specifically organized to
7 support or oppose a particular state district candidate or issue shall file reports:

8 (a) on the 12th day preceding the date on which an election is held and within 48 hours after receiving
9 a contribution of \$100 or more if received between the 17th day before the election and the day of the election.

10 The report under this subsection (3)(a) may be made by mail or by electronic communication to the clerk and
11 recorder and the commissioner of political practices.

12 (b) not more than 20 days after the date of the election; and

13 (c) whenever a candidate or political committee files a closing report as specified in 13-37-228(3).

14 (4) Candidates for any other public office and political committees that are specifically organized to
15 support or oppose a particular local issue shall file the reports specified in subsection (3) only if the total amount
16 of contributions received or the total amount of funds expended for all elections in a campaign, excluding the filing
17 fee paid by the candidate, exceeds \$500, except as provided in 13-37-206.

18 (5) For the purposes of this subsection, a committee that is not specifically organized to support or
19 oppose a particular candidate or ballot issue and that receives contributions and makes expenditures in
20 conjunction with an election is an independent committee. For the purpose of reporting, a political party committee
21 is an independent committee. An independent committee shall file:

22 (a) a report on the 12th day preceding the date of an election in which it participates by making an
23 expenditure;

24 (b) a report not more than 20 days after the date of the election in which it participates by making an
25 expenditure; and

26 (c) a report on a date to be prescribed by the commissioner for a closing report at the close of each
27 calendar year.

28 ~~(6) The commissioner may promulgate rules regarding the extent to which organizations that are~~
29 ~~incidental political committees shall report their politically related activities in accordance with this chapter.~~

30 ~~(7)~~(6) All reports required by this section must be complete as of the fifth day before the date of filing as

1 specified in 13-37-228(2) and this section."

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